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ABSTRACT

This report is intended to clarify issues surrounding the implementation of the School Breakfast Program, as mandated by the New York State Legislature in Chapter 573 of the Laws of 1976. It attempts to answer questions which have been raised at meetings at which the program has been discussed, or questions that have been submitted in writing. The specific concerns that are discussed in the report include: program funding, the previous experience of the program, how the program operates, and key issues surrounding the program. Key issues associated with the program include the following: program expenditures and revenues; reporting, accounting, and monitoring of the program; program operations; the treatment of exceptional schools where it is not feasible to operate a breakfast program; program costs; and program decentralization or centralization. Charts and tables are included. (Author/AM)

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THE BREAKFAST PROGRAM: FACTS AND ISSUES.

WORKING NOTE NO. 6

NOVEMBER 24, 1976

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PREFACE

This paper has been prepared to clarify issues surrounding the implementation of the School Breakfast Program, as mandated by the New York State Legislature in Chapter 573 of the Laws of 1976. It attempts to answer, to the greatest extent possible, questions which have been raised at meetings at which the program has been discussed, or have been submitted to me in writing. The paper describes the situation as it currently exists and is meant to present information as a basis for discussion. It does not present a Board policy position concerning the operation and implementation of the program.

It should be understood that the formal costs of the program as outlined in this report, and which are currently allowable for reimbursement claims, do not represent the total true costs of the program. This report presents the basic requirements for all schools. There is not yet enough experience with a full scale program to asses the total program costs. It is recognized that depending on the situation in particular schools, there may be necessary additional hidden costs for such things as pedagogical supervision and school guards. Moreover, the full implementation of program will require the processing of hundreds of thousands of transactions, and a major investment may be required for a cost accounting system to provide the necessary fiscal and management controls.

Many questions cannot yet be answered because they require resolution by the Central Board, the State Education Department, or perhaps the State Legislature.

BERNARD R. GIFFORD
DEPUTY CHANCELLOR

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THE BREAKFAST PROGRAM: FACT AND ISSUES

I. INTRODUCTION

Federal and State funds became available for school breakfasts, as of FY 1970-71. Since that time the program has been administered as a categorical grant program, with districts participating on a voluntary basis. Last year 23 districts, the Division of Special Education, and six high schools operated programs in a total of 417 schools. Budgeting assistance and financial control have been provided by the Bureau of Reimbursable Programs, and technical assistance has been provided by the Bureau of School Lunches.

The program is similar to the school lunch program in that eligibility requirements for free and reduced price breakfasts are the same and a Type A breakfast (see Appendix A for definition) must be served to qualify for the reimbursements which are given on a per-meal-served basis.

As a result of State legislation passed this summer, breakfast must now be provided this school year in every school in which at least one third of the children are eligible for free lunch. The director of the Bureau of School Food Management, which administers the program for the State, has advised the Bureau of School Lunches that breakfast programs must be operating in all mandated schools no later than January 3, 1977, or reimbursement for school lunches may be withheld. As the legislation is currently written, all schools will be required to operate breakfast programs in the 1977-78 school year.

II. FUNDING

The program provides a maximum per breakfast reimbursement, payable upon submission of monthly claims substantiating expenditures. For FY 1976-77, the maximum reimbursement for breakfast is $ .47½ of which no more than $ .21375 can be spent on non-food items: i.e., labor and miscellaneous expenses such as paper products. Of that amount, $ .02 is taken for the indirect cost pool for programs which do their own ordering. Only $ .01 is taken for indirect costs for programs which purchase food via contract with a food service management company, because fewer central resources for voucher processing and ordering are required when a contractor does the purchasing. This leaves $ .20375 or $ .19375 per meal for non-food costs depending on whether or not the district use a food service contractor.

To a large extent, the non-food expenditures for the program represent fixed costs, mainly a minimum required labor cost, which will exceed the per meal non-food reimbursement limit when small numbers of breakfasts are served in a particular location. The program was designed by Congress to cover the full cost of operating a breakfast program on a voluntary basis. Reimbursement rates were structured so that a minimum level of participation is required. However, the state law which mandates breakfast programs recognizes that they will now be required in many schools which would not otherwise have offered breakfast because the number of breakfasts served would not produce enough revenues to offset fixed costs. Accordingly, the law provides for an additional reimbursement of up to $ .08½ per breakfast served in schools designated "especially needy" due to low volume. Note that the "especially needy" designation will be audited to determine that it is based upon low numbers of students available for participation, and is contigent upon evidence of minimum practical costs.

TABLE I

November 15, 1976

BREAKFAST PROGRAM BREAK-EVEN PARTICIPATION LEVELS (USING MANAGEMENT-LABOR & MISC. COSTS)

APPLIES TO DISTRICTS ONLY,
NOT HIGH SCHOOLS OR SPECIAL SCHOOLS

A

Income Using Max. Allowable Subsidy for Labor & Overhead of $.21375 less $.02 for Central Overhead=.19375 per meal		# bkfst	Income $	# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $
		25	4.84375	50	9.68750	75	14.53125	100	19.37500	200	38.75000	300	58.12500
Labor/Title and other District Level Expense	Rate $	Labor Hours	Extension	Labor hours	Extension	Labor Hours	Extension	Labor Hours	Extension	Labor Hours	Extension	Labor Hours	Extension
1. Senior School Lunch Helper	4.39	½	2.1950	½	2.1950	½	2.1950	½	2.1950	1	4.3900	2	8.4000
2. School Lunch Helper	4.20			½	2.1000	½	2.1000	½	2.1000	1	4.2000	1½	6.3000
3. School Lunch Helper	4.20							½	2.1000	1	4.7000	1½	6.3000
4. School Aide	4.20	½	2.1000	½	2.1000	½	2.1000	½	2.1000	1	4.2000	1	4.2000
5. Breakfast Coordinator*	2.47/schl.		2.4700		2.4700		2.4700		2.4700		2.4700		2.4700
6. Breakfast Clerk (6 hr. day)*	.82/schl.		.8200		.8200		.8200		.8200		.8200		.8200
7. (Sum 1-6) Sub-total			7.585		9.685		9.685		11.785		20.28		28.49
8. Employee Benefits (30% of 7)	30%		2.2755		2.9055		2.9055		3.5355		6.084		8.547
9. Miscellaneous Supplies	.055		1.3750		2.7500		4.1250		5.5000		11.0000		16.5000
10. Total Cost Without Custodial Expense (7 + 8 + 9)	--		11.2355		15.3405		16.7155		20.8205		37.364		53.537
11. Income (-) Cost without Custodial Expense (A - 10)	--		(6.39175)		(5.6530)		(2.18425)		(1.4455)		1.386		4.588
12. Custodial (Fireman) Expense	6.70	1	6.7000	1	6.7000	1	6.7000	1	6.7000	1	6.7000	1	6.7000
13. Total Cost with Custodial Expense (10 + 12)	--		17.9355		22.0405		23.4155		27.5205		44.064		60.237
14. Income (-) Cost with Custodial Expense (A - 13 should equal 11-12)	--		(13.09175)		(12.3530)		(8.88425)		(8.1455)		(5.314)		(2.112)

B

Income Using Max. Allowable Subsidy for Labor and Overhead With Additional "Specially Needy" Allowance Less $.02 For Central Overhead = $.21375 + $.085 - $.02 = $.27875/Meal		# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $	# bkfst.	Income $
		25	6.96875	50	13.93750	75	20.90625	100	27.87500	200	55.75000	300	83.6250
15. Income (-) Cost Without Custodial Expense (B - 10	--		(4.26675)		(1.4030)		4.19075		7.0545		18.386		30.098
16. Custodial (fireman) Expense	6.70	1	6.7000	1	6.7000	1	6.7000	1	6.7000	1	6.7000	1	6.7000
17. Income (-) Cost with Custodial Expense (B - 13 Should equal 15 - 16)			(10.96675)		(8.1030)		(2.50925)		.3545		11.686		23.388

*-Derived by dividing total cost city-wide (Table 1) of Coordinator / Clerks by 180 days and again by # of mandated schools in Districts.

No city tax levy funds are available for the program. The total program must be self-sustaining. No matter whether the Central Board or the individual districts are responsible for costs which exceed revenues from State and Federal reimbursements, these funds will have to be taken from tax levy funds which would otherwise have been allocated to instructional purposes. It is estimated that given the "especially needy" reimbursement, schools with an average daily participation of 100 or more students should be able to break even, if a custodial fee is required. If no custodial fee is required, a program with 75 children participating should break even. Table I gives estimated non-food costs per school various levels of participation, compared to claimable reimbursements. Chart A shows per breakfast non-food costs by volume of service. It should be noted that reimbursement is given only up to the amount actually spent. However, at volume levels above 200 children per school, the portion of the reimbursement not used for non-food costs is available to provide a more expensive breakfast.

III. PREVIOUS EXPERIENCE

In districts which have operated programs in past years, experience has generally been good. Last year 23 of 32 Community School Districts operated programs on a voluntary basis. 8,787,672 breakfasts were served to approximately 30,000 children. The total cost of the program was about $3.9 million.

Districts which operated breakfast programs in previous years seem to have been able to operate well within their budgets, and with a few exceptions, within the amount of revenues received. It is possible, however, that some costs attributable to the breakfast programs have not been fully accounted for, as some districts may have charged costs that exceeded claimable reimbursement levels to tax levy.

It should be kept in mind, however, that all previous experience has been with programs operated on a voluntary basis in schools where there was a demand. Where potential low participation, lack of demand, or other factors have made it infeasible to serve breakfasts within the revenues to be expected from reimbursement, no programs have been operated.

NON-FOOD COSTS PER BREAKFAST – BY VOLUME OF SERVICE

	25	50	75	100	200	300
Custodial	26.800	13.400	8.933	6.700	3.350	2.233
Miscellaneous Supplies	5.500	5.500	5.500	5.500	5.500	5.500
Fringes	9.102	5.811	3.874	3.536	3.024	2.849
District Administration	13.160	6.580	4.387	3.290	1.645	1.097
Direct Labor	17.180	12.790	8.528	8.495	8.405	8.495

VOLUME OF SERVICE

CHART A

IV. HOW THE PROGRAM OPERATES

A. Budgeting

The current procedure is to set up a budget with the Bureau of Reimbursable Programs based on:

- The estimated number of days breakfast will be served
- The estimated number of breakfasts to be served each day
- The estimated resources required for food, supplies, service, and administration.

Each district is assigned a breakfast program function number, against which all expenditures should be charged.

B. Staffing

Staff for the breakfast programs has been provided principally by paying school lunch workers and school aides for the extra hours required to prepare the breakfast and supervise the children. District coordination, accounting and bookkeeping, and claims preparation functions are included in the budget and have usually been provided similarly, through extra hourly pay allocated to already existing district business staff. Some districts with large programs have been able to support a half-or full-time person as a breakfast coordinator, from revenues generated from breakfast reimbursements. Vacation pay and other fringe benefits must be included in salary and fringe benefits budgeted for the program, according to usual Board of Education procedures for a particular classification of employee. Staff time for record keeping and accounting must be included in each district's breakfast program budget.

C. Purchasing

Participating districts have run their breakfast programs in one of two ways:

- District Management

  Menus are developed, and food ordered by the district through the established purchasing procedures.

  The Bureau of School Lunches writes the specifications for supplies required for the breakfast programs. The Bureau of Supplies then establishes requirements contracts against which the district breakfast program purchases can be

made. It is not necessary for every district to purchase through these contracts. However, competitive purchasing practices must be followed in all cases. Procedures for ordering supplies and non-perishable items are contained in the Standard Operating Procedures for Community School Districts. Additional information will be provided concerning procedures for contracting for and ordering perishable items, which are different from those for non-perishables.

- Contracting with a Food Service Management Company

  Several school districts have contracted with food service management companies to provide breakfasts.

  These contracts usually provide the food, according to an agreed-upon menu. Personnel for service and supervision are provided by the district. In some cases, paper products are provided by the management company. This option simplifies the districts' job in ordering the breakfasts, menu planning, and accounting, since the contract is usually based on a per-breakfast-served costs.

D. Supervision

Children participating in the breakfast program are supervised by school aides. This is a direct cost, chargeable to the breakfast program. Licensed personnel are not required to supervise the breakfast program. However, there is a requirement that at least one licensed person be in the building (though not necessarily in the same room) when children are present. This has presented no problem in schools which have participated in previous years, since some teacher or supervisor is always present for other purposes before the regular school day begins.

E. When and Where To Serve/Custodial Fees

If breakfast is served before 8:30 a.m. a daily custodial fee of $6.70 must be paid.* Many schools have been able to operate the program successfully by serving breakfast after 8:30. Those schools which

*As a general rule, children are allowed to enter the school one-half hour before classes begin. In most schools classes begin at 8:50, so children may enter at 8:20. When classes begin earlier, children may enter earlier at no additional charge. However, the custodial contract requires that no matter when classes begin, if breakfast is served before 8:30 a.m., the custodial fee of $6.70 per day ostensibly for a fireman, must be paid. It is not clear that the $6.70 per day fee buys any guarantee of extra service, since this charge applies all year round, not just during heating season, and the custodian is required to be on duty from 8:00 a.m., in any case. See Appendix B for discussion of impact of the custodial fee on per breakfast costs. Especially in low-volume schools, the required custodial fee represents such a large percentage of the allowable non-food cost per breakfast as to make it impossible to operate the program within claimable revenues.

have only a small number of children eating breakfast, and therefore have the smallest budgets for other-than-food costs, should be able to serve during this period.

Custodians must be on duty at 8:00 a.m., after which time staff may enter to prepare breakfast. All principals should have keys for their schools, and may enter at any time. They can, if they wish, let breakfast preparation staff into the building. Note: Some school custodians have recently denied access to school buildings to Board personnel before 8:00 a.m. See Appendix C for memorandum on this problem.

Custodial fees should be estimated when the budget for the program is drawn up, and will be charged against the breakfast program function number. Most schools serve breakfast wherever lunch is served. However, in some schools children do eat breakfast in their classrooms, where principals and teachers agree this is the easiest way in which to serve it. Although the teachers' contract does not require teachers to supervise food service, it does not prohibit it.

F. Eligibility and Claims

A child is eligible for a free or reduced price breakfast if he is eligible for a free or reduced price lunch. There need be no separate procedure for making that determination.

Claim forms showing the number of breakfasts served, and detailing expenditures by cost categories (see Appendix D) must be filled out by each district monthly and forwarded to the Bureau of School Lunches Breakfast Coordinator for review and transmittal to the State.

Failure to submit correctly filled out claim forms on a timely basis will lead to delays in reimbursement and disallowances of claims. It is important that free and reduced priced breakfasts are served only to eligible children. Careful account must be kept of fees collected for reduced priced and paid breakfasts. Procedures will be issued by the Bureau of School Lunches Breakfast Unit.

V. KEY ISSUES

A. Expenditures Must Not Exceed Revenues

Although the budget will be based upon the estimated number of breakfasts served, actual revenues against which breakfast program costs can be charged are based on the number of breakfasts actually served. There are no tax levy funds available to cover amounts expended above revenues received from reimbursement claims. Careful monitoring of costs is necessary to assure that there are no excess expenditures.

B. Reporting, Accounting, Monitoring

A month by month reporting and accounting system must be set up to monitor participation and eligibility, correctness of claims, and level of spending compared to level of participation. The Breakfast Coordinator must determine if any breakfast program is expending funds at a rate that exceeds what it will be possible to claim in reimbursements. It is critical that the proper procedures are followed so that there are no claim disallowances.

C. Operating within Maximum Reimbursement

If the fixed costs of the program in a particular school are such that the amount which can be claimed for the number of breakfasts served will not cover the actual non-food expenditures, there is relief available:

- Schools may apply for an additional reimbursement of up to 8½ cents for "especially needy schools." Procedures for obtaining this extra reimbursement are in the processs of being developed by the State Bureau of School Food Management.

- School claims may be averaged over an entire district, so that costly low-volume schools can be offset by higher volume schools.

- Claims may be averaged over the course of the year so that low participation months can be offset by higher participation months.

- If a district's costs still exceed maximum allowable reimbursement, and there is evidence of the costs have been held to a practical minimum, the SED will allow costs to be averaged on a city-wide basis.

D. Exceptional Schools

It is recognized that after the above steps have been taken there may still be schools in which it is not feasible to operate a breakfast program due to the number of children being transported on contract busses, insurmountable scheduling problems, and other factors. Those cases where it can be demonstrated that such problems preclude the operation of a breakfast program will be dealt with on an individual basis. The State Education Department must make a final determination.

E. Program Costs

There are three types of costs associated with the breakfast program:

- Food costs. Experience shows that these can easily be kept within the maximum reimbursement amount.

- Direct labor and supplies and custodial fees. These costs can be kept within reimbursable limits in programs

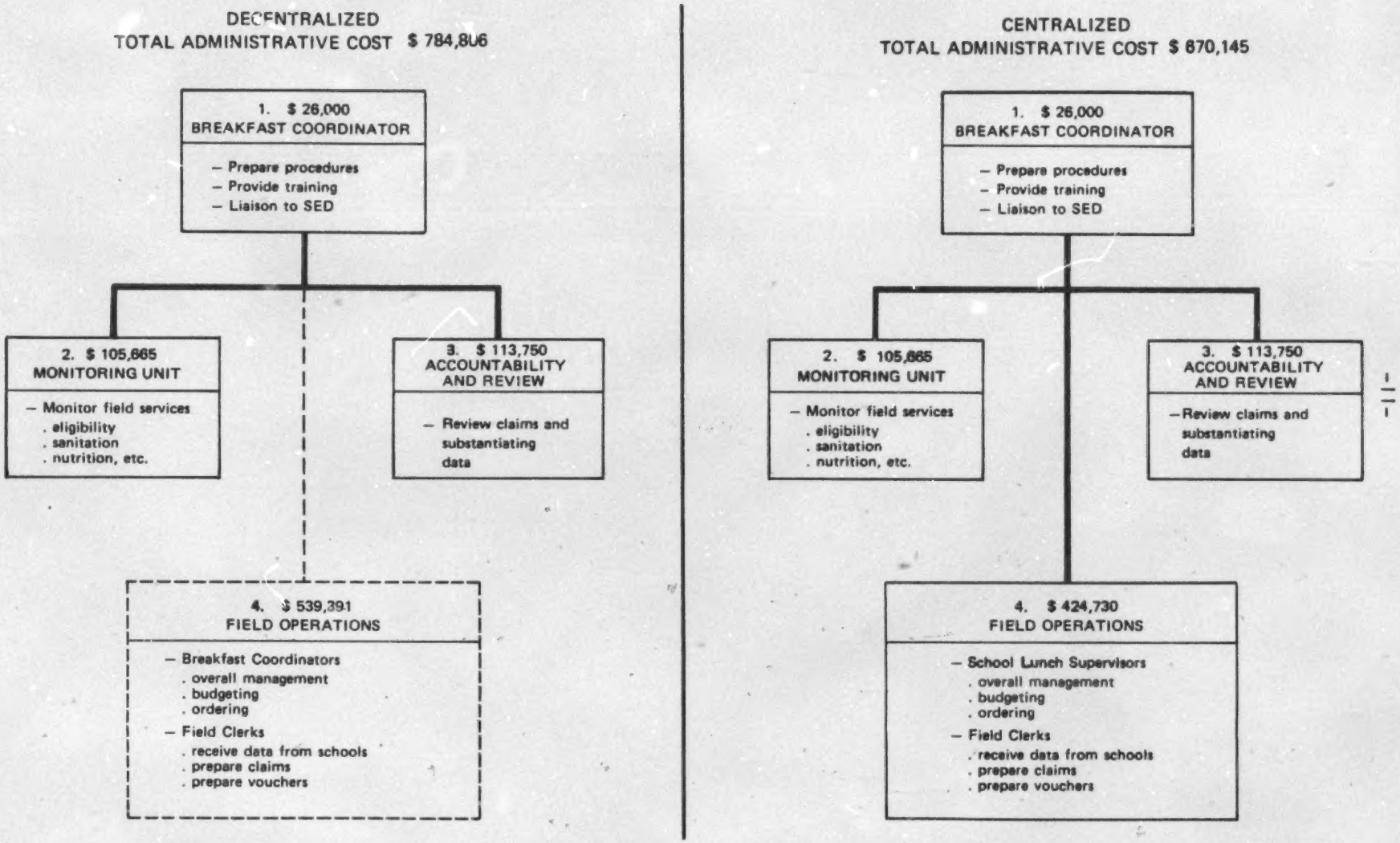
- Administrative overhead costs. These costs are funded partially from the indirect cost budget and partially directly in each breakfast program budget. Chart B shows the administrative organization and projected costs to provide adequate coordination, monitoring and supervision for the breakfast program, for this fiscal year, for both a decentralized and a centralized program. Tables I and II give details of projected required staffing for each administrative function.

  Administrative costs appear to be higher in a decentralized program, since BSL supervisors who would manage field operations under a centralized program will be able to combine that responsibility with their current lunch work-load. However, the breakfast program cannot be run within the limits of revenues to be obtained from reimbursements if participation rates are low. If districts are responsible for the programs, their incentive to increase participation will be high. If BSL runs the programs, the districts will have little fiscal incentive to encourage participation, and effective cost of the Board of Education may be higher because the number of breakfasts served will not generate enough reimbursements to cover fixed costs.

  Table III compares food, labor and miscellaneous costs for districts which ran breakfast programs with similar service volumes in 1975-76, one via direct ordering, one via contract with a food service management company. The program which used the food service management company had higher food costs and lower paper goods and labor costs, but there appears to be little significant difference in overall total costs-per-meal, between these two methods of operation.

CHART B

SCHOOL BREAKFAST PROGRAM
ADMINISTRATIVE OVERHEAD



NOTE: Cost figures include estimated 30% fringes

F. Program Responsibility

The program has been decentralized until now because it was voluntary.

Many districts would prefer to maintain control over the breakfast program by operating it themselves. Decentralization law requires that any district which wishes to operate its own food service program be allowed to so so.

Districts maintain direct communication with parents which are necessary to assure a high level of interest and participation in the breakfast program.

A decision with respect to the centralized, or decentralized operation of the program in districts which do not choose voluntarily to operate a decentralized program must be made by the Central Board.

TABLE II

BREAKFAST PROGRAM ADMINISTRATIVE STAFF

DECENTRALIZED PROGRAM

		TOTAL COST	
		INDIRECT	DIRECT
1.	**BREAKFAST COORDINATOR**		
	1 Breakfast Coordinator @ 20,000	20,000	
	+30% Fringes	6,000	
	TOTAL	26,000	
2.	**MONITORING UNIT**		
	1 Head School Lunch Manager @ 12,929	12,929	
	15570 hours Field Monitors 4.39/h	68,352	
	11 Dists @ 4 hrs/day x 180 days		
	7 " @ 3 " " " " "		
	9 " @ 2 " " " " "		
	1 " @ 1 " " " "		
	5 " @ 2 1/2 hrs/wk x 36 wks		
	SUBTOTAL	81,281	
	+30% Fringes	24,384	
	TOTAL	105,665	
3.	**ACCOUNTABILITY AND REVIEW UNIT**		
	1 Administrative Ass't. @ $12,850	12,850	
	1 Assoc. Accountant @ $15,400	15,400	
	2 Ass't. Accountants @ $10,775	21,550	
	2 Senior Clerks @ 8,350	16,700	
	2 Clerks @ 7,000	14,000	
	1 Typist @ 7,000	7,000	
	SUBTOTAL	$87,500	
	+30% Fringes	26,250	
	TOTAL	$113,750	
4.	**DISTRICT FIELD ADMINISTRATION**		
	21.63 FTE Breakfast Coordinators @ $14,400		$311,400
	11 Dists Full time		
	7 Dists 3/4 time		
	9 Dists 1/2 time		
	1 Dist. 1/4 time		
	5 Dists 1/8 time		
	23,580 hrs Field clerks x 4.39/hr		$103,516
	11 Dists 6 hrs/day x 180 days		
	7 Dists 4.5 hrs/day x 180 days		
	9 Dists 3 hrs/day x 180 days		
	1 Dist 1 1/2 hrs/day x 180 days		
	5 Dists 1 hr/wk x 36 wks		
	4 H.S. 5 hrs/wk x 36 wks		
	SUBTOTAL		$414,916
	+30% Fringes		124,475
			539,391
	GRAND TOTAL		$784,806

TABLE III

BREAKFAST PROGRAM ADMINISTRATIVE STAFF

CENTRALIZED PROGRAM

	TOTAL COST	
1. BREAKFAST COORDINATOR	INDIRECT	DIRECT
1 Breakfast Coordinator @ 20,000	20,000	
+30% Fringes	6,000	
TOTAL	26,000	
2. MONITORING UNIT		
1 Head School Lunch Manager @ 12,929	12,929	
15570 hours Field Monitors 4.39/hr	68,352	
11 Dists @ 4 hrs/day x 180 days		
7 " @ 3 " " " " "		
9 " @ 2 " " " " "		
1 " @ 1 " " " "		
5 " @ 2 1/2 hrs/wk x 36 wks		
SUBTOTAL	$81,281	
+30% Fringes	24,384	
TOTAL	105,665	
3. ACCOUNTABILITY AND REVIEW UNIT		
1 Administrative Ass't. @ $12,850	12,850	
1 Assoc. Accountant @ $15,400	15,400	
2 Ass't. Accountants @ $10,775	21,550	
2 Senior Clerks @ 8,350	16,700	
2 Clerks @ 7,000	14,000	
1 Typist @ 7,000	7,000	
SUBTOTAL	$87,500	
+30% Fringes	26,250	
TOTAL	$113,750	
4. BSL FIELD ADMINISTRATION		
12 FTE School Lunch Supervisors @ 18,600		$223,200
23,580 hrs field clerks x 4.39/hr		$103,516
11 Dists 6 hrs/day x 180 days		
7 Dists 4.5 hrs/day x 180 days		
9 Dists 3 hrs/day x 180 days		
1 Dist 1 1/2 hrs/day x 180 days		
5 Dists 1 hr/wk x 36 wks		
4 H.S. 5 hrs/wk x 36 wks		
SUBTOTAL		$326,716
+30% Fringes		98,014
		$424,730
GRAND TOTAL		$670,145

TABLE IV

COMPARISON OF BREAKFAST COSTS

1975/76

FOOD SERVICE CATERING CO. CONTRACT							DISTRICT MANAGEMENT						
DISTRICT	MONTH	FOOD COST	LABOR COST	MISC.* COST	COST PER BREAKFAST	NUMBER OF BREAKFASTS SERVED	DISTRICT	MONTH	FOOD COST	LABOR COST	MISC.* COST	COST PER BREAKFAST	NUMBER BREAKFA SERVED
2	OCT 1975	.3333	.1093	.0004	.4430	51514	14	OCT.-1975	.2460	.1327	.0763	.4550	74608
	NOV. "	.3333	.0994	--	.4327	96208		NOV. "	.2481	.1295	.0760	.4536	70450
	DEC. "	.3333	.1023	--	.4356	103265		DEC. "	.2373	.1307	.0770	.4450	71413
	JAN. 1976	.3333	.0942	.0008	.4283	115213		JAN.-1976	.2379	.1351	.0778	.4508	76894
	FEB. "	.3333	.1074	--	.4407	101785		FEB. "	.2369	.1408	.0777	.4554	65797
	MARCH "	.3333	.1144	.0010	.4487	138096		MARCH "	.2359	.1262	.0765	.4386	98162
	APRIL "	.3333	.1165	--	.4498	89614		APRIL "	.2366	.1344	.0763	.4473	63360
	MAY "	.3333	.1011	.0002	.4346	119088		MAY "	.2365	.1353	.0769	.4487	83770
	JUNE "	.3333	.1166	--	.4499	113623		JUNE "	.2407	.1456	.0777	.4640	73672
TOTAL		.3333	.1068	.0003	.4404	926406			.2395	.1345	.0769	.4509	578126

22

23

*Some paper and misc. costs may be included in food costs

APPENDIX A

SCHOOL BREAKFAST PROGRAM NUTRITIONAL STANDARDS

A breakfast shall contain, as a minimum, each of the following components in the amounts indicated:

(1) One-half pint of fluid milk served as a beverage or on cereal or used in part for each purpose.

(2) A one-half cup serving of fruit or full-strength fruit or vegetable juice.

(3) One slice of wholegrain or enriched bread; or an equivalent serving of cornbread, biscuits, rolls, muffins, etc. made of whole-grain or enriched meal or flour; or three-fourths cup of whole-grain cereal or enriched or fortified cerial or an equivalent quantity of any combination of these foods.

In addition to improve the nutrition of the participating children breakfasts shall also include as often as practicable protein-rich foods, such as one egg; a one ounce serving (edible portion as served) of meat, poultry, or fish; or one ounce of cheese; or two tablespoons of peanut butter; or an equivalent quantity of any combination of these foods.

Additional foods may be served with breakfasts as desired.

APPENDIX B

CUSTODIAL FEES PER BREAKFAST SERVED

	NUMBER OF BREAKFASTS SERVED					
	25	50	75	100	200	300
Custodial Fee Per Breakfast	26.8¢	13.4¢	8.93¢	6.7¢	3.4¢	2.2¢
Percent of total allowable non-food costs:						
without 8½¢ "especially needy" reimbursement (21.375¢)	125%	63%	42%	31%	16%	10%
with 8½¢ "especially needy" reimbursement (21.875¢)	89%	45%	30%	22%	11%	7%
Percent at total allowable costs:						
without 8½¢ "especially needy" reimbursement (47.5¢)	56%	28%	19%	14%	7%	5%
with 8½¢ "especially needy" reimbursement (56¢)	48%	24%	16%	12%	6%	4%

By contrast, the total custodial budget represents about 3.5% of the total Board of Eduation budget.

BOARD OF EDUCATION
OF THE CITY OF NEW YORK
OFFICE OF LABOR RELATIONS AND COLLECTIVE BARGAINING
110 LIVINGSTON STREET
BROOKLYN, N. Y. 11201
TELEPHONE: 596-6000

JOHN P. FINNERAN
EXECUTIVE DIRECTOR

APPENDIX C

November 1976

MEMORANDUM

To: Community and Assistant Superintendents
Executive Directors
Principals of All Schools

From: John P. Finneran
Executive Director

Subject: Access to School Buildings Prior to 8:00 A.M.

In response to school custodians' denial to Board personnel of access to school buildings prior to 8:00 A.M., the Board has commenced court action for a Taylor Law injunction. That injunction would order custodians to revert to their practice of allowing selected personnel, such as school secretaries and school lunch employees, to enter the schools before the building is open to the full school staff.

Mr. Justice Rubin has denied the Board's motion for a preliminary injunction and has recommended that disciplinary action be taken against custodians who are believed to be acting in violation of their collective bargaining agreement or the Board's rules. The main action, for a permanent injunction, is still in the courts, however, and it is expected that the issue of whether the custodians' action constitutes a strike will be decided after a full trial. It should be noted that Justice Rubin did not rule that the custodians have no obligation to provide entry to buildings before 8:00 A.M.

The Board's position, that custodians are obliged to open schools to a limited number of Board personnel before 8:00 A.M., has not been overturned. For the period until the case is ultimately decided, the Board will handle the problem administratively. Consequently, principals or supervisors of buildings where custodians continue to deny access to personnel who have traditionally entered prior to 8:00 A.M. should complete the attached form and mail it to:

Mr. John P. Finneran, Executive Director
Office of Labor Relations and Collective Bargaining
New York City Board of Education
110 Livingston Street
Brooklyn, New York 11201

Questions on this matter may be directed to Mr. Thomas Ryan at 596-6247.

1976 REPORT ON DENIAL OF ACCESS TO SCHOOL BUILDINGS PRIOR TO 8:00 A.M.

SCHOOL DISTRICT

NAME OF CUSTODIAN

Title(s) of personnel denied access prior to 8:00 A.M.:

Pre-8:00 A.M. function(s) of personnel denied access:

Hiring per diem substitute _____
School breakfast program _____
School lunch program _____
Receipt of supplies _____
Other (specify) _____

Days on which access has been denied:

September

October

_____ _____
Date Reporting Official

_____
Title

This form should be returned promptly by all schools affected by custodians' action to:

Mr. John P. Finneran, Executive Director
Office of Labor Relations and Collective Bargaining
New York City Board of Education
110 Livingston Street, Room 910
Brooklyn, NY 11201

APPENDIX D

The University of the State of New York
THE STATE EDUCATION DEPARTMENT
Bureau of School Food Management
99 Washington Avenue
Albany, New York 12230

(1) SPONSORING AGENCY NAME: _____

(2) SPONSORING AGENCY CODE

(3) AGREEMENT NUMBER

(4) CLAIM PERIOD MONTH YEAR

(5) TOTAL CLAIMED REIMBURSEMENT $.

MONTHLY WORKSHEET PER SCHOOL (RA) OF
COST OF LABOR AND MISCELLANEOUS EXPENSES PER BREAKFAST
Form SA-625W (9/76) (submit 1 copy)

(5) Recipient Agency Codes (RA) (12 digits only) xxxx | xxxx | xxxx	(6) Total Labor and Miscellaneous	÷	(7) Total Breakfasts Served	=	(8) Cost of Labor and Miscellaneous Per Meal (Round to Five Decimals)
	Total (9)		Total (10)		

The University of the State of New York
THE STATE EDUCATION DEPARTMENT
Bureau of School Food Management
99 Washington Avenue
Albany, New York 12230

NATIONAL SCHOOL BREAKFAST PROGRAM
MONTHLY CONSOLIDATED CLAIM
FORM SA-625C (9/76)

(1) SPONSORING AGENCY NAME: _____

(2) SPONSORING AGENCY CODE

(3) AGREEMENT NUMBER

(4) CLAIM PERIOD MONTH YEAR

(5) TOTAL CLAIMED REIMBURSEMENT $.

REGULAR REIMBURSEMENT CALCULATIONS

1. REGULAR BREAKFASTS SERVED
   - A. FREE (Col. 14 total) _____
   - B. REDUCED-PRICE (Col. 15 total) _____
   - C. FULL PRICE (Col. 16 total) _____
   - D. TOTAL _____

2. MAXIMUM ALLOWABLE LABOR & MISCELLANEOUS
   - A. TOTAL BREAKFASTS (Section 1D)
   - B. X ASSIGNED RATE X .
   - C. MAXIMUM ALLOWABLE EXPENSE

3. EXPENSES
   - A. LABOR (Col. 18 total) _____
   - B. MISCELLANEOUS (Col. 19 total) _____
   - C. TOTAL ACTUAL LABOR & MISC. _____

4. TOTAL REGULAR BREAKFAST EXPENSES
   - A. LABOR & MISC. EXPENSE (lesser of Section 2C or 3C) _____
   - B. COST OF FOOD USED (Col. 17) _____
   - C. TOTAL EXPENSES _____

5. CALCULATION OF COST PER BREAKFAST
   - A. TOTAL EXPENSES (Section 4C) _____ less A LA CARTE (Col. 23 total) $_____ = OPERATING COST _____
   - B. OPERATING COST _____ ÷ TOTAL BREAKFASTS SERVED (Section 1D) _____ = COST PER BREAKFAST _____ (4 places)

6. FREE REGULAR BREAKFASTS
   - A. FREE _____ (Col. 14 total) X COST PER BREAKFAST _____ (Section 5B) = $_____
   - B. FREE _____ (Col. 14 total) X _____ (assigned rate) = $_____
   - C. MAXIMUM ALLOWABLE FREE REGULAR REIMBURSEMENT (lesser of A or B) $_____

7. REDUCED-PRICE REGULAR BREAKFASTS
   - A. COST PER BREAKFAST (5B): _____ less REDUCED SELLING PRICE (Col. 20) _____ = DIFFERENTIAL _____ (4 places)
   - B. REDUCED PRICE (Col. 15 total) _____ X DIFFERENTIAL _____ = $_____
   - C. REDUCED PRICE (Col. 15 total) _____ X _____ (assigned rate) = $_____
   - D. MAXIMUM ALLOWABLE REDUCED-PRICE REIMBURSEMENT (lesser B or C) $_____

8. FULL PRICE BREAKFASTS
   - A. FULL PRICE BREAKFASTS (Col. 16 total) _____ X _____ (assigned rate) = $_____

9. TOTAL REGULAR BREAKFAST REIMBURSEMENT (total Sections 6C + 7D + 8A) $_____

CERTIFICATION

I certify to the best of my knowledge and belief that the above information is true and correct; that the above number of breakfasts were served in accordance with the terms of the agreement; and that invoices, other pertinent records, and approved free and reduced price applications for each needy child, in accordance with the school's approved policy, are on file to substantiate this claim.

AUTHORIZED SIGNATURE _____

NAME _____ TITLE _____

ESPECIALLY NEEDY REIMBURSEMENT CALCULATIONS

10. ESPECIALLY NEEDY BREAKFASTS SERVED
   A. FREE (Col. 14 total) _____
   B. REDUCED-PRICE (Col. 15 total) _____
   C. FULL-PRICE (Col. 16 total) _____
   D. TOTAL BREAKFASTS _____

11. MAXIMUM ALLOWABLE LABOR & MISCELLANEOUS
   A. TOTAL BREAKFASTS (Section 10D)
   B. X ASSIGNED RATE X _____
   C. MAXIMUM ALLOWABLE EXPENSE

12. EXPENSES
   A. LABOR (Col. 18 total) _____
   B. MISCELLANEOUS (Col. 19 total) _____
   C. TOTAL ACTUAL LABOR & MISC. _____

13. TOTAL ESPECIALLY NEEDY BREAKFAST EXPENSES
   A. LABOR & MISC. EXPENSE (lesser of Section 11C or 12C) _____
   B. COST OF FOOD USED (Col. 17) _____
   C. TOTAL EXPENSES _____

14. CALCULATION OF COST PER BREAKFAST
   A. TOTAL EXPENSES (Section 13C) _____ less A LA CARTE SALES (Col. 23 total) _____ = OPERATING COST _____
   B. OPERATING COSTS _____ ÷ TOTAL BREAKFASTS SERVED (Section 10D) _____ = COST PER BREAKFAST _____ (4 places)

15. FREE ESPECIALLY NEEDY BREAKFAST REIMBURSEMENT
   A. FREE (Col. 14 total) _____ X COST PER BREAKFAST (Section 14B) _____ = $_____
   B. FREE (Col. 14 total) _____ X (assigned rate) _____ = $_____
   C. MAXIMUM ALLOWABLE FREE ESPECIALLY NEEDY REIMBURSEMENT (lesser of A or B) $_____

16. REDUCED-PRICE ESPECIALLY NEEDY REIMBURSEMENT
   A. COST PER BREAKFAST (14B): _____ less REDUCED SELLING PRICE (Col. 20) _____ = DIFFERENTIAL _____ (4 places)
   B. REDUCED PRICE (Col. 15 total) _____ X DIFFERENTIAL _____ = $_____
   C. REDUCED PRICE (Col. 15 total) _____ X (assigned rate) _____ = $_____
   D. MAXIMUM ALLOWABLE REDUCED-PRICE ESPECIALLY NEEDY REIMBURSEMENT (lesser of B or C) $_____

17. FULL PRICE ESPECIALLY NEEDY REIMBURSEMENT
   A. FULL PRICE BREAKFASTS (Col. 16 total) _____ X (assigned rate) _____ = $_____

18. TOTAL ESPECIALLY NEEDY BREAKFAST REIMBURSEMENT (total Sections 15C + 16D + 17A) $_____

19. TOTAL BREAKFAST REIMBURSEMENT
   A. TOTAL REGULAR BREAKFAST REIMBURSEMENT (Section 9) $_____
   B. TOTAL ESPECIALLY NEEDY BREAKFAST REIMBURSEMENT (Section 18) $_____
   C. TOTAL BREAKFAST REIMBURSEMENT (Section 19A plus B) $_____

(1) SPONSORING AGENCY NAME

(2) SPONSORING AGENCY CODE

(3) AGREEMENT NUMBER

(4) CLAIM PERIOD MONTH YEAR

(5) TOTAL CLAIMED REIMBURSEMENT $.

The University of the State of New York
THE STATE EDUCATION DEPARTMENT
Bureau of School Food Management
99 Washington Avenue
Albany, New York 12230

Regular Programs ☐

Especially Needy Programs ✓

MONTHLY CLAIM FOR REIMBURSEMENT-TABULAR
NATIONAL SCHOOL BREAKFAST PROGRAM
FORM SA-625 (7/75)

RECIPIENT AGENCY CODES (6) (12 DIGITS ONLY) XXXX XXXX XXXX	CURRENT ENROLLMENT (7)	AVERAGE DAILY ATTENDANCE (8)	# DAYS FOOD SERVICE (9)	NUMBER APPROVED APPLICANTS		BREAKFASTS SERVED			EXPENSES			INCOME				
				FREE (10)	REDUCED PRICE (11)	FREE (12)	REDUCED PRICE (13)	FULL PRICE (14)	COST OF FOOD USED (15)	LABOR (16)	MISC. (17)	REDUCED SELLING PRICE (18)	FULL SELLING PRICE (19)	COMPLETE BREAKFAST SALES (20)	A LA CARTE SALES (21)	OTHER (22)
31 TOTALS ▶																32

-23-

(1) SPONSORING AGENCY NAME

(2) SPONSORING AGENCY CODE

(3) AGREEMENT NUMBER

(4) CLAIM PERIOD MONTH YEAR

(5) TOTAL CLAIMED REIMBURSEMENT $.

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THE STATE EDUCATION DEPARTMENT
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Albany, New York 12230

Regular Programs ☐

Especially Needy Programs ☐

MONTHLY CLAIM FOR REIMBURSEMENT-TABULAR
NATIONAL SCHOOL BREAKFAST PROGRAM
FORM SA-325 (7/75)

RECIPIENT AGENCY CODES (6) (12 DIGITS ONLY) XXXX XXXX XXXX	CURRENT ENROLLMENT (7)	AVERAGE DAILY ATTENDANCE (8)	# DAYS FOOD SERVICE (9)	NUMBER APPROVED APPLICANTS: FREE (10)	NUMBER APPROVED APPLICANTS: REDUCED PRICE (11)	BREAKFASTS SERVED: FREE (12)	BREAKFASTS SERVED: REDUCED PRICE (13)	BREAKFASTS SERVED: FULL PRICE (14)	EXPENSES: COST OF FOOD USED (15)	EXPENSES: LABOR (16)	EXPENSES: MISC. (17)	INCOME: REDUCED SELLING PRICE (18)	INCOME: FULL SELLING PRICE (19)	INCOME: COMPLETE BREAKFAST SALES (20)	INCOME: A LA CARTE SALES (21)	INCOME: OTHER (22)
33 TOTALS ▶												34				

-24-